

Weekly Trucking Insight | JUNE 15, 2022

California Bans Owner-Ops?!?

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Overview

Job Board Searches and Clicks

- Last week, search activity rose by 3%, while click activity increased by 14%.

Spot Freight Market

- Overall average spot rates (including fuel) were unchanged from the previous week.
- Total load postings increased by 12%.
- Overall truck availability rose by 21%.

Story of the Week

- California's AB 5 law would effectively ban the traditional leased owner-operator model in the state.
 - ◆ The California Trucking Association is arguing that the law would have a large impact on both carriers and owner-operators and would cause many problems.

Numbers at a Glance

SPOT RATES (INCLUDING FUEL)

WoW: ■ Flat

SPOT RATES BY SEGMENT (INCLUDING FUEL)

WoW: Dry Van ▼ Down 6.5¢ per mile

WoW: Refrigerated ▼ Down 3¢ per mile

WoW: Flatbed ▼ Down 1¢ per mile

LOAD POSTING VOLUME

WoW: ▲ Up 12%

LOAD VOLUME BY SEGMENT

WoW: Dry Van ▲ Up 7%

WoW: Refrigerated ▲ Up 7%

WoW: Flatbed ▲ Up 15%

TRUCK AVAILABILITY

WoW: ▲ Up 21%

TRUCK DRIVER SEARCHES

WoW: ▲ Up 3%

MoM: ▼ Down 9%

YoY: ▼ Down 1%

CLICKS ON TRUCK DRIVER POSTINGS

WoW: ▲ Up 14%

MoM: ▲ Up 8%

YoY: ▲ Up 19%

This Week in Job Board Searches & Clicks

Searches and Clicks on Job Aggregator Partner Network¹

TRUCK DRIVER SEARCHES

vs. 1 Week Ago:

▲ Up 3%

vs. 1 Month Ago:

▼ Down 9%

vs. 1 Year Ago:

▼ Down 1%

CLICKS ON TRUCK DRIVER POSTINGS

vs. 1 Week Ago:

▲ Up 14%

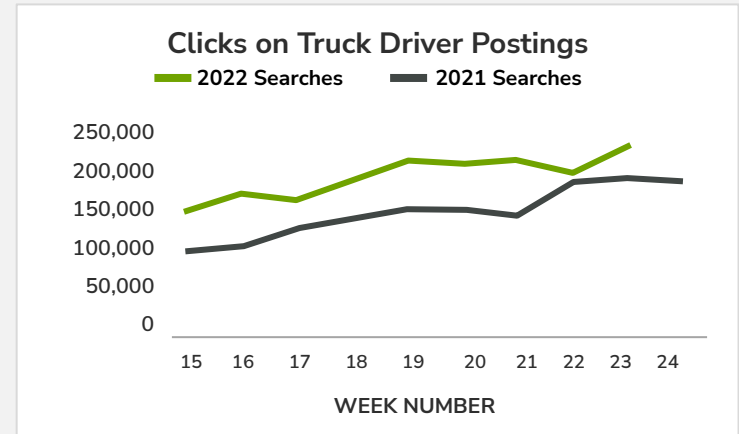
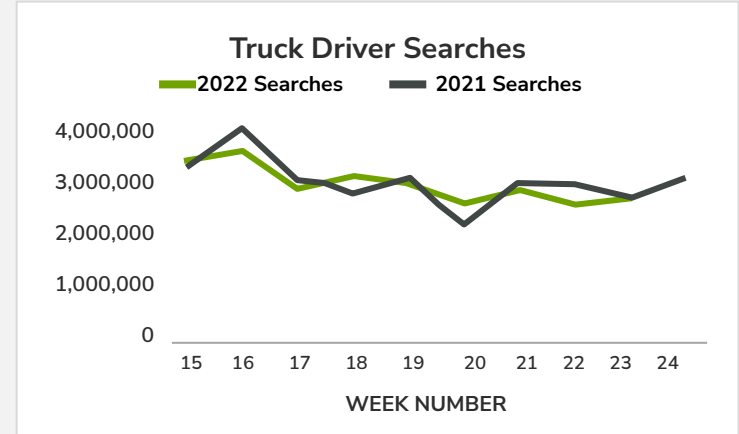
vs. 1 Month Ago:

▲ Up 8%

vs. 1 Year Ago:

▲ Up 19%

¹ Job board data is aggregated from many partners.



This Week in Spot Freight

Spot rates ease in all segments in the latest week.²

Overall spot rates (including fuel) were unchanged from the previous week.

Dry Van: -6.5¢ CPM | Refrigerated: -3¢ CPM | Flatbed: -1¢ CPM

- The total spot rate is just under record high, but the rate excluding fuel is 35 cents below the record.
- The overall spot rate was flat because volume gains in flatbed outpaced the van segments, which are seeing far lower rates.
- Traditionally, the coming three weeks are among the year's strongest for van rates. But supply chain disruptions have been confounding seasonal expectations, increasing rate uncertainty for the rest of June.

Total load postings increased by 12% from the previous week.

Dry Van: +7% WoW | Refrigerated: +7% WoW | Flatbed: +15% WoW

- Load postings were up in all regions with particular strength in the South Central and West Coast regions.

Overall truck availability increased 21% from the previous week.

- The overall load-to-truck ratio fell to its lowest level since November 2020.

Note: The latest data reflects a Truckstop.com revision of the Truck Availability metric back to week 8 of this year. The new measure is a better representation of available capacity. On average, the revision increased the load-to-truck measurement by nearly 22 points since the new measurement of truck availability is lower than the previously reported data.



WoW Spot Freight

Spot Rates Including Fuel Charges

■ Flat WoW

Total Load Postings

▼ 21% WoW

Overall Truck Availability

▼ 2¢ WoW

² Data is taken from FTR via Truckstop. To read the full weekly report, [click here](#).

Story of the Week

CTA calls Solicitor General's AB 5 argument 'wrong.'³

California's AB 5 law would effectively ban the traditional leased owner-operator model in California (CA).

- The Solicitor General claimed that AB 5's requirements are easily avoided and may have no impact at all on carriers or owner-operators.
- ◆ The California Trucking Association (CTA) is calling the Solicitor General's brief on AB 5 law "head-scratchingly wrong."

CTA says that the AB 5's requirements are not easily avoided and will have a large impact on both carriers and owner-operators.

- The prospect of AB 5 taking effect is already causing carriers to limit or abandon operations in CA.
- Carriers would need to hire owner-operators as part-time employee drivers and require them to supply their own trucks, which would cause many problems, including, but not limited to, the following:
 - ◆ CTA argues that many owner-operators would not respond to AB 5 by becoming employees.
 - They expect that numerous owner-operators would retire, leave CA to work in other states, or seek work opportunities in other industries."
 - Many of the drivers who become owner-operators do so because they value their independence and flexibility. AB 5 would at least diminish independence and flexibility.
 - ◆ Even if owner-operators were willing to become employees, CTA says CA's complicated wage-and-hour requirements make the government's proposal unworkable.
 - ◆ Classifying owner-operators as part-time employees in CA would complicate matters as those operators may still be classified as independent contractors in other states.
 - This would cause complications for carriers as they move freight into or out of CA.

³ Cole, Matt. "[California Trucking Association tears down Solicitor General's AB 5 argument.](#)" 10 Jun 2022, ccjdigital.com.



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